

HOUSE BILL NO. 663

INTRODUCED BY J. BROWN, BRADLEY, GOULD,
KEATING, REGAN, GRADY

IN THE HOUSE

FEBRUARY 11, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON HUMAN SERVICES & AGING.
FEBRUARY 13, 1989	FIRST READING.
FEBRUARY 16, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 17, 1989	PRINTING REPORT.
FEBRUARY 20, 1989	ENGROSSING REPORT. SECOND READING, DO PASS.
	ON MOTION, TAKEN FROM THIRD READING AND REREFERRED TO COMMITTEE ON APPROPRIATIONS.
MARCH 18, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 20, 1989	PRINTING REPORT.
MARCH 22, 1989	SECOND READING, DO PASS.
MARCH 23, 1989	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 82; NOES, 16.
	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 27, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
	FIRST READING.
APRIL 6, 1989	ON MOTION, REREFERRED TO COMMITTEE

ON PUBLIC HEALTH, WELFARE & SAFETY.

APRIL 8, 1989

COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 10, 1989

SECOND READING, CONCURRED IN.

APRIL 12, 1989

THIRD READING, CONCURRED IN.
AYES, 43; NOES, 5.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 13, 1989

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 14, 1989

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 663
2 INTRODUCED BY J. Brown Bradley
3 Bill Study
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE HOSPICE CARE
5 AS A MANDATORY MEDICAID SERVICE; AMENDING SECTION 53-6-101,
6 MCA; AND PROVIDING AN EFFECTIVE DATE."
7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
9 **Section 1.** Section 53-6-101, MCA, is amended to read:
10 "53-6-101. Definition of medical assistance. (1) The
11 definition of medical assistance shall include:
12 (a) inpatient hospital services;
13 (b) outpatient hospital services;
14 (c) other laboratory and x-ray services;
15 (d) skilled nursing home services;
16 (e) physicians' services, whether furnished in the
17 office, the patient's home, a hospital, a skilled nursing
18 home, or elsewhere; and
19 (f) hospice care as defined in 42 U.S.C. 1396d(o); and
20 ~~(f)~~(g) services provided by nurse specialists, as
21 specifically listed in 37-8-202(5), within the scope of
22 their practice and that are otherwise directly reimbursed as
23 allowed under department rule to an existing provider.
24 (2) It may also include, although not necessarily
25 limited to, the following:

1 (a) medical care or any other type of remedial care
2 recognized under state law, furnished by licensed
3 practitioners within the scope of their practice as defined
4 by state law;
5 (b) home health care services;
6 (c) private-duty nursing services;
7 (d) dental services;
8 (e) physical therapy and other related services;
9 (f) clinic services;
10 (g) services provided by social workers licensed under
11 Title 37, chapter 22;
12 (h) prescribed drugs, dentures, and prosthetic devices;
13 (i) eyeglasses prescribed by a physician skilled in
14 diseases of the eye or by an optometrist, whichever the
15 individual may select;
16 (j) other diagnostic, screening, preventive,
17 rehabilitative, chiropractic, and osteopathic services;
18 (k) any additional medical service or aid allowable
19 under or provided by the federal Social Security Act."
20 **NEW SECTION. Section 2.** Extension of authority. Any
21 existing authority to make rules on the subject of the
22 provisions of [this act] is extended to the provisions of
23 [this act].
24 **NEW SECTION. Section 3.** Effective date. [This act] is
25 effective July 1, 1989.

-End-

-2-

INTRODUCED BILL
HB 663

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB663, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

Adds Hospice care as a Medicaid covered service.

ASSUMPTIONS:


1. The actual number of individuals that would be eligible for hospice services is unknown. For purposes of this fiscal note, we have assumed that 75 individuals will be eligible and 25% or 18 will elect to receive hospice services. It is assumed that these 75 individuals are not Medicare eligible.
2. If hospice services were not available, 9 of the 18 eligible would have gone to a nursing home, and 9 would have gone to an inpatient hospital setting.
3. The cost of an inpatient acute hospital stay is assumed to be \$3,000 per person. (DRG rate)
4. The Medicaid cost of a nursing home stay is assumed to be \$38/day for 50 days.
5. The average cost per hospice patient is estimated to be \$4,755.
6. The cost of adding this to the MMIS payment system is estimated to be \$60,000 in FY90.
7. The Federal Medicaid matching rate is assumed to be 71.17% in FY90 and 71.28% in FY91.
8. A half-time FTE will be required to administer the program.

FISCAL IMPACT:

	Current	FY90		Current	FY91	
	Law	Proposed		Law	Proposed	
<u>Expenditures:</u>		Law	Difference	Law	Law	Difference
SRS						
Personal Services	\$ -0-	\$ 14,053	\$ 14,053	\$ -0-	\$ 14,053	\$ 14,053
Operating Expenses	-0-	60,000	60,000	-0-	-0-	-0-
Benefits	51,711	85,589	33,878	51,711	85,589	33,878
Total	\$51,711	\$159,642	\$107,931	\$51,711	\$ 99,642	\$ 47,931
<u>Funding:</u>						
General Fund	\$14,815	\$ 43,727	\$ 28,912	\$14,815	\$ 28,632	\$ 13,817
Federal Funds	36,896	115,915	79,019	36,896	71,010	34,114
Total	\$51,711	\$159,642	\$107,931	\$51,711	\$ 99,642	\$ 47,931

TECHNICAL NOTES:

1. Hospice care (as defined by the Federal Government) includes dietary counseling. This service would have to be added as a covered benefit for the Medicaid program. This service could be limited to hospice care only.


 RAY SHACKLEFORD, BUDGET DIRECTOR
 OFFICE OF BUDGET AND PROGRAM PLANNING

DATE 2/17/89

JAN BROWN, PRIMARY SPONSOR

DATE 2/17/89

Fiscal Note for HB663, as introduced

HB 663

SPONSOR'S FISCAL NOTE

Form BD-15S

There is hereby submitted a Sponsor's Fiscal Note for: HB 663, Version: Introduced Bill

DESCRIPTION OF PROPOSED LEGISLATION:

An act to include hospice as a mandatory Medicaid service, and providing an effective date.

ASSUMPTIONS:

1. 39 Medicaid-eligible patients per year would elect the hospice benefit. (This estimate of utilization is based upon a survey conducted by the Montana Hospice Organization, which identified the actual number of Medicaid-eligible patients in the five largest hospices, who received hospice care during calendar 1988.)
2. 45 days will be the average length of stay in a hospice program.
During that period:
 - 5 days of care will be provided in an inpatient setting (The Health Care Financing Administration estimates that 10% of hospice care is provided in an inpatient setting.)
 - 39 days of routine home care
 - 1 day of continuous home care (private duty nursing)
 - 2 physician services
3. Hospices will be reimbursed according to Medicare regulations as follows: Inpatient care=\$257.63/day; Home Care =\$57.53/day; Continuous Care=\$333.76/day; and Physician Services=\$100/visit.
4. Traditional Care:
 - A. 45 day period
 - B. Two hospital admissions during period
 - C. Average DRG weight 1.9238
 - D. Capital pass-through equals 10% of DRG weighted price
 - E. DRG price \$1,368.19
 - F. Average traditional out of hospital care equals \$26/day for 20 days. (Based upon 1986 study performed by Michigan Department of Social Services. Costs have not been adjusted for inflation.)
5. The cost of adding this service to the MMIS payment system is estimated to \$60,000 in FY 1990.
6. The Federal Medicaid matching rate is assumed to be 71.17% in FY 1990 and 71.28% in FY 1991.
7. A one-quarter time FTE will be required to administer the program.

Jan Brown 2/18/89
PRIMARY SPONSOR DATE

Fiscal Note for: HB 663 Version: Introduced Bill

HB 663

SPONSOR'S FISCAL NOTE

Form DD-158

There is hereby submitted a Sponsor's Fiscal Note for: HB 663, Version: Introduced Bill

FISCAL IMPACT:

	Current Law	FY90 Proposed Law	Difference	Current Law	FY91 Proposed Law	Difference
Expenditures:						
SRS						
Personal Services	\$ -0-	\$ 7,027.00	\$ 7,027.00	\$ -0-	\$ 7,027.00	\$ 7,027.00
Operating Expenses	-0-	60,000.00	60,000.00	-0-	-0-	-0-
Benefits	225,836.22	158,557.62	(67,278.60)	225,836.22	158,557.62	(67,278.60)
Total	\$225,836.22	\$225,584.62	\$ (251.60)	\$225,836.22	\$165,584.62	\$(60,251.60)
Funding:						
General Fund	\$ 65,108.58	\$ 65,036.05	\$ (72.53)	\$ 64,860.16	\$ 47,555.90	\$(17,304.26)
Federal Funds	160,727.64	160,548.57	(179.07)	160,976.06	118,028.72	(42,947.34)
Total	\$225,836.22	\$225,584.62	\$ (251.60)	\$225,836.22	\$165,584.62	\$(60,251.60)

TECHNICAL NOTES:

1. Hospice care (as defined by the Federal Government) includes dietary counseling. This service would have to be added as a covered benefit for the Medicaid program. This service could be limited to hospice care only.

PRIMARY SPONSOR

DATE

Fiscal Note for: HB 663

Version: Introduced Bill

HB 663

APPROVED BY COMM. ON
HUMAN SERVICES AND AGING

1 Nurse BILL NO. 663
 2 INTRODUCED BY J. Brown Bradley John Bradley
 3 John Bradley
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE HOSPICE CARE
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 16 (e) physicians' services, whether furnished in the
 17 office, the patient's home, a hospital, a skilled nursing
 18 home, or elsewhere; and
 19 (f) hospice care as defined in 42 U.S.C. 1396d(o); and
 20 (f)(g) services provided by nurse specialists, as
 21 specifically listed in 37-8-202(5), within the scope of
 22 their practice and that are otherwise directly reimbursed as
 23 allowed under department rule to an existing provider.
 24 (2) It may also include, although not necessarily
 25 limited to, the following:

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 2 recognized under state law, furnished by licensed
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 4 by state law;
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 7 (d) dental services;
 8 (e) physical therapy and other related services;
 9 (f) clinic services;
 10 (g) services provided by social workers licensed under
 11 Title 37, chapter 22;
 12 (h) prescribed drugs, dentures, and prosthetic devices;
 13 (i) eyeglasses prescribed by a physician skilled in
 14 diseases of the eye or by an optometrist, whichever the
 15 individual may select;
 16 (j) other diagnostic, screening, preventive,
 17 rehabilitative, chiropractic, and osteopathic services;
 18 (k) any additional medical service or aid allowable
 19 under or provided by the federal Social Security Act."
 20 **NEW SECTION. Section 2.** Extension of authority. Any
 21 existing authority to make rules on the subject of the
 22 provisions of [this act] is extended to the provisions of
 23 [this act].
 24 **NEW SECTION. Section 3.** Effective date. [This act] is
 25 effective July 1, 1989.

-End-
 -2-

SECOND READING
 HB 663

1 *House* BILL NO. *663*
2 INTRODUCED BY *J. Brown Bradley*
3 *Bill Bradley*
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE HOSPICE CARE
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-End-

-2-

THIRD READING
HB 663

LC 1390/01
RE-REFERRED AND
APPROVED BY COMMITTEE
ON APPROPRIATIONS

1 *House* BILL NO. *663*
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3 *John Bradley*
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SECOND READING

HB 663

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 22 provisions of [this act] is extended to the provisions of
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 24 **NEW SECTION. Section 3.** Effective date. [This act] is
 25 effective July 1, 1989.

-End-
 -2-

THIRD READING
HB 663

SECOND PRINTING

SENATE STANDING COMMITTEE REPORT

April 8, 1989

MR. PRESIDENT:

We, your committee on Public Health, Welfare, and Safety, having had under consideration HB 663 (third reading copy -- blue), respectfully report that HB 663 be amended and as so amended be concurred in:

Sponsor: Brown, J. (Hager)

1. Title, line 6.

Following: "DATE"

Insert: "AND A TERMINATION DATE"

2. Page 2.

Following: line 25

Insert: "NEW SECTION. Section 4. Termination. [This act] terminates June 30, 1991."

AND AS AMENDED BE CONCURRED IN

Signed: _____


Thomas O. Hager, Chairman

SENATE
HB 663

HOUSE BILL NO. 663

INTRODUCED BY J. BROWN, BRADLEY, GOULD,

KEATING, REGAN, GRADY

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE HOSPICE CARE AS A MANDATORY MEDICAID SERVICE; AMENDING SECTION 53-6-101, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 53-6-101, MCA, is amended to read:

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(a) inpatient hospital services;

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(f) hospice care as defined in 42 U.S.C. 1396d(o); and

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(j) other diagnostic, screening, preventive, rehabilitative, chiropractic, and osteopathic services;

(k) any additional medical service or aid allowable under or provided by the federal Social Security Act."

NEW SECTION. Section 2. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of

HB 0663/02

1 [this act].

2 NEW SECTION. Section 3. Effective date. [This act] is
3 effective July 1, 1989.

4 NEW SECTION. SECTION 4. TERMINATION. [THIS ACT]
5 TERMINATES JUNE 30, 1991.

-End-